

Procedure file

Basic information	
<p>COD - Ordinary legislative procedure (ex-codecision procedure) 2020/0343(COD) Decision</p>	Procedure completed
<p>Authorising the Commission to vote in favour of the capital increase of the European Investment Fund</p> <p>Subject 2.50.03 Securities and financial markets, stock exchange, CIUTS, investments 8.40.07 European Investment Bank (EIB)</p> <p>Legislative priorities The EU's response to the Covid-19 pandemic</p>	

Key players			
European Parliament	Committee responsible	Rapporteur	Appointed
	 Budgets	 VAN OVERTVELDT Johan	02/12/2020
		Shadow rapporteur	
		 HEINÄLUOMA Eero	
Council of the European Union	Commission DG	Commissioner	
European Commission	Economic and Financial Affairs	GENTILONI Paolo	
European Economic and Social Committee			

Key events			
26/11/2020	Committee referral announced in Parliament, 1st reading		
10/12/2020	Vote in committee, 1st reading		
10/12/2020	Committee report tabled for plenary, 1st reading	A9-0253/2020	
15/12/2020	Results of vote in Parliament		
15/12/2020	Decision by Parliament, 1st reading	T9-0346/2020	Summary
23/12/2020	Act adopted by Council after Parliament's 1st reading		
23/12/2020	Final act signed		
23/12/2020	End of procedure in Parliament		
07/01/2021	Final act published in Official Journal		

Technical information	
Procedure reference	2020/0343(COD)
Procedure type	COD - Ordinary legislative procedure (ex-codecision procedure)
Procedure subtype	Legislation
Legislative instrument	Decision
Legal basis	Treaty on the Functioning of the EU TFEU 173-p3
Other legal basis	Rules of Procedure EP 159
Mandatory consultation of other institutions	European Economic and Social Committee
Stage reached in procedure	Procedure completed
Committee dossier	BUDG/9/04734

Documentation gateway					
Legislative proposal		COM(2020)0774	25/11/2020	EC	Summary
Committee draft report		PE661.865	03/12/2020	EP	
Committee report tabled for plenary, 1st reading/single reading		A9-0253/2020	10/12/2020	EP	
Text adopted by Parliament, 1st reading/single reading		T9-0346/2020	15/12/2020	EP	Summary
Draft final act		00059/2020/LEX	23/12/2020	CSL	

Final act
Decision 2021/8 OJ L 003 07.01.2021, p. 0001

Authorising the Commission to vote in favour of the capital increase of the European Investment Fund

PURPOSE: to authorise the Commission to vote in favour of the capital increase of the European Investment Fund.

PROPOSED ACT: Decision of the European Parliament and of the Council.

ROLE OF THE EUROPEAN PARLIAMENT: the European Parliament decides in accordance with the ordinary legislative procedure and on an equal footing with the Council.

BACKGROUND: the EU, represented by the Commission, is a shareholder in the European Investment Fund (EIF) since the establishment of the EIF. It currently holds 29.7 % of the shares. The majority of the shares (58.9 %) are owned by the European Investment Bank. The rest (11.4 %) are owned by other financial institutions.

According to Article 5(2) of the Statutes of the European Investment Fund the authorised capital of the Fund may be increased by decision of the General Meeting acting with a majority of 85 % of the votes cast.

Considering the expected impact of the COVID-19 crisis and with a view to contributing to the Union and EIF response to the crisis through the implementation of the expected [InvestEU Programme](#) as part of the Multiannual Financial Framework for 2021-2027, the Board of Directors of the EIF decided to propose a capital increase to the General Meeting, where the Commission, representing the Union as a shareholder of the EIF, has to be in a position to vote on the increase.

The EIF has calculated an immediate need for an increase in the authorised capital by EUR 2 870 000 000, which corresponds to a cash injection of EUR 1 250 000 000.

To effectively respond to the COVID-19 crisis, the capital increase should be put in place as soon as possible.

CONTENT: the proposal aims to enable the Commission, which represents the Union at the General Assembly, to vote in favour of the proposed increase in the EIF's capital of EUR 2 870 000 000.

Additional capital would enable the EIF to play its role as a key partner in the implementation of the future InvestEU programme. It would therefore contribute to improving the Union's competitiveness, socio-economic convergence and cohesion, while supporting recovery from the

economic crisis caused by the coronavirus, in particular as regards support for innovative SMEs.

In particular, the capital increase would:

- contribute, in the areas of innovation and digitisation, to the efficient use of resources in line with the circular economy objectives, to the sustainability and inclusiveness of the Union's economic growth and to the resilience and integration of the Union capital markets;
- further develop the EIFs role in the management of national and regional programmes, thereby contributing to the EU's strategic objectives of improving access to finance for SMEs, encouraging regional development and supporting the objectives of the Capital Market Union.

The proposal has no budgetary implications, as the vote at the General Meeting on the capital increase of the EIF does not oblige the Union to subscribe shares. Budgetary implications will only result from the InvestEU Regulation providing the legal basis for the participation of the EU in the capital increase.

Authorising the Commission to vote in favour of the capital increase of the European Investment Fund

The European Parliament adopted by 652 votes to 30, with 13 abstentions, a legislative resolution on the proposal for a decision of the European Parliament and of the Council authorising the Commission to vote in favour of the capital increase of the European Investment Fund.

Parliament adopted its position at first reading under the ordinary legislative procedure by taking over the proposal for a decision to authorise the Commission to vote on behalf of the Union at the general meeting of the European Investment Fund (EIF) in favour of the proposed increased of EUR 2 870 000 000 in the authorised capital of the Fund.

The proposal responds to the need for an immediate increase in the EIF's authorised capital in view of the expected impact of the COVID-19 crisis and with a view to contributing to the EU and the Fund's response to the crisis through the implementation of the [InvestEU programme](#), which is part of the multiannual financial framework for the period 2021-2027, and by strengthening the Funds role in the management of national and regional programmes.